



ON CALHFA CONVENTIONAL MORTGAGE INSURED LOANS

Most CalHFA conventional loans that are mortgage insured by CalHFA Mortgage Insurance Services automatically include HomeOpeners[®]*, a Mortgage Protection Program. This program makes up to six monthly mortgage payments if the borrower becomes involuntarily unemployed, is receiving California Employment Development Department unemployment benefits, and is seeking reemployment. HomeOpeners is provided as part of primary mortgage insurance at no additional cost to the borrower or lender.

This mortgage protection program helps borrowers overcome concerns about the impact of job loss on owning a home. Borrowers who lose their job involuntarily have a better chance with HomeOpeners to retain their home and maintain their credit standing while they seek reemployment. HomeOpeners also gives lenders an effective tool to avoid loan delinquency and differentiate themselves in a competitive market.

I. PROGRAM SUMMARY

MORTGAGE PROTECTION PLAN	<p>Most CalHFA Homeownership Program conventional loans that are covered by mortgage insurance written by CalHFA Mortgage Insurance Services automatically include HomeOpeners.</p> <p>Coverage:</p> <ul style="list-style-type: none"> • The maximum monthly benefit is the lesser of the actual monthly mortgage payment (principal, interest, taxes, and insurance) or \$2,500. • The benefit covers a maximum of six (6) monthly payments over the life of the coverage. • Coverage begins on the date the loan closes (effective date), except that benefits are not payable during the “Vesting Period” (first 60 days from the effective date). The coverage remains in effect for a maximum of five years. • All eligible borrowers are required to maintain CalHFA primary mortgage insurance in order to continue HomeOpeners. • Coverage is provided for all qualified borrowers and co-borrowers. The amount of the benefit is based on the ratio of the unemployed borrower’s income to the borrower’s total income. • Borrowers and co-borrowers must be directly obligated on the loan. • Borrowers must live in the property that is the subject of the loan.
---------------------------------	--

	<ul style="list-style-type: none">• A 30-day waiting period applies. The borrower must be unemployed during all weekly work periods in the month for which the monthly benefit is claimed. For purposes of the benefit, unemployed means that the borrower is eligible for unemployment benefits from the California Employment Development Department.• Examples of ineligible conditions for HomeOpeners include:<ul style="list-style-type: none">– Voluntary unemployment– Borrowers who are self-employed and independent contractors, work for a family member, or own greater than ten percent of a business in which they are employed– Seasonal employment– Temporary employment– Part-time employment– Employed by relatives– Out of work for medical reasons <p>CalHFA mortgage insurance coverage must be in place at the time of claim. If the CalHFA mortgage insurance is cancelled or terminated, the HomeOpeners benefit also terminates.</p>																		
TERM	Five years, provided CalHFA mortgage insurance coverage remains in effect.																		
MORTGAGE PROTECTION IN ADDITION TO MORTGAGE INSURANCE	<p>CalHFA Mortgage Insurance coverage must be in place. If the CalHFA Mortgage Insurance on the loan is cancelled or terminated, the HomeOpeners benefit also terminates. CalHFA Mortgage Insurance is required on all first loans in excess of 80.00% Loan to Value as follows:</p> <p><u>Standard coverage on all loans and Non-Conforming IOP</u></p> <table><tr><th><u>LTV:</u></th><th><u>Coverage:</u></th><th><u>Premium:</u></th></tr><tr><td>97.01% - 100%</td><td>35%</td><td>.96%</td></tr><tr><td>95.01% - 97%</td><td>35%</td><td>.96%</td></tr><tr><td>90.01% - 95%</td><td>35%</td><td>.90%</td></tr><tr><td>85.01% - 90%</td><td>35%</td><td>.67%</td></tr><tr><td>80.01% - 85%</td><td>35%</td><td>.62%</td></tr></table>	<u>LTV:</u>	<u>Coverage:</u>	<u>Premium:</u>	97.01% - 100%	35%	.96%	95.01% - 97%	35%	.96%	90.01% - 95%	35%	.90%	85.01% - 90%	35%	.67%	80.01% - 85%	35%	.62%
<u>LTV:</u>	<u>Coverage:</u>	<u>Premium:</u>																	
97.01% - 100%	35%	.96%																	
95.01% - 97%	35%	.96%																	
90.01% - 95%	35%	.90%																	
85.01% - 90%	35%	.67%																	
80.01% - 85%	35%	.62%																	
ELIGIBLE LOANS	Borrowers must be eligible for a CalHFA conventional loan program. The mortgage insurance on the loan cannot exceed 35% primary coverage. Loans on which coverage exceeds 35% are not eligible. See CalHFA Homeownership program descriptions for additional information.																		
TRANSACTION TYPE	New purchase loan transactions that close on or after April 1, 2005.																		
PARTICIPATING LENDERS	All CalHFA approved lenders.																		
PROGRAM ADMINISTRATION	The involuntary unemployment insurance provider, Lloyd's, will give borrowers notice of qualification, a summary of the benefits and procedures for claims, after the loan is closed. Borrowers should review this material and call the insurer's Benefit Administrator for																		

	<p>further information as follows:</p> <p>For general IUI benefits information call 866.562.5677 extension 224.</p> <p>To file a claim for an unemployment event occurring on or after January 1, 2008 call 877.484.5677.</p> <p>To file a claim for an unemployment event occurring before January 1, 2008 call 800.344.3042.</p> <p>The monthly benefit is the lesser of the actual mortgage payment or \$2,500; therefore, there may be circumstances when the benefit will not cover the entire monthly mortgage payment. In these cases, the borrower is responsible for the difference.</p>
--	---

FILE TRANSMITTAL	<p>No additional documentation is necessary. Coverage will be placed automatically on mortgage insured CalHFA conventional loans. Only one package is required per loan file. A completed Mortgage Insurance Services Application is required in the file and can be found here: http://www.calhfa.ca.gov/homeownership/insurance/application.pdf</p> <p>Please send documents to: CalHFA Homeownership Programs 1121 L Street, 7th floor Sacramento, CA 95814</p>
-------------------------	--

* HomeOpeners is a registered trademark of Genworth Mortgage Holdings, LLC.

NOTE: The information in this program description is for guidance and discussion purposes only. It is not a contract, and all terms are subject to change without notice.

04/08